



ONLINE LEGAL TRAINING & EDUCATION

What Every **Business Owner** Needs to Know About Their **Contracts**

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After 30 years...

- Improv training and performance
- Teaching public speaking at the university level
- Teaching to audiences in 100+ countries
- Coaching international paid public speakers
- Contract negotiation, drafting, and litigation





Fine Print



Implied Contracts



Course of Dealing



Series of emails

“We never
needed a written
contract before.”



Crafting Your Contract

A white rectangular card is tilted and placed on a blue background. On the card, the number '4' is written in a bold, blue, sans-serif font. The card has a slight shadow on the background.

4

The Four Questions

1. What would make you so regret doing _____ that you would do just about anything to get out of it?
2. What would make doing _____ the best decision you've made in the past 5 years?
3. What can _____ do without your consent?
4. What can you do without obtaining _____ consent?



**We cannot
accept a
customer
if...**



1. Who is your Customer?
2. What are you supposed to do?
3. What are your performance deadlines?
4. What are they supposed to pay?
5. When do they have to pay it?
6. What happens if they don't pay?
7. How are you protected if things go south?



Scope of Work

- Where is SOW defined?
- Is the definition complete?
- Is the definition 100% accurate?



Payment

- What are the payment terms?
- Do you trust the other side?
- Do you have the right to terminate or suspend for non-payment?
- Interest and attorney's fees

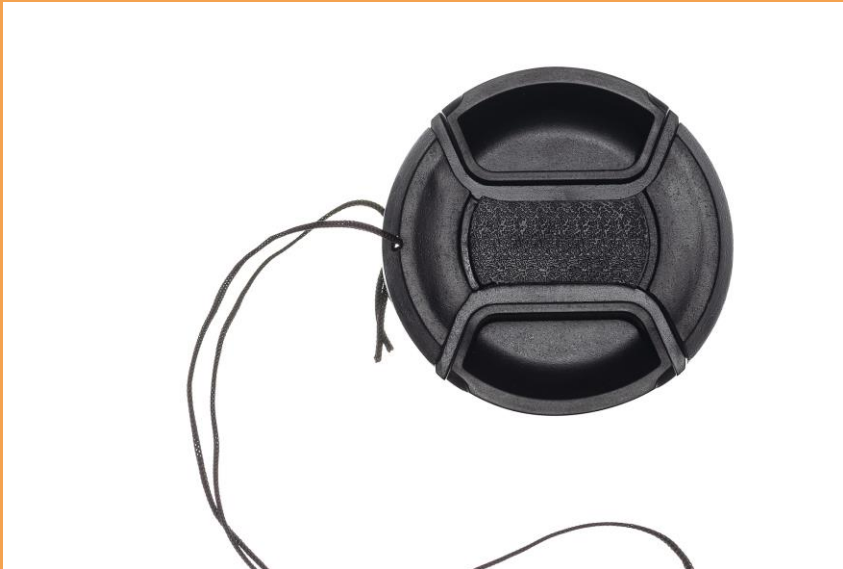


Deadlines

- Manage expectations
- Clear dates & time periods
- Method for changing
- Consequences

Additional Work/Change Orders





Limit of Liability

- Amount you've been paid
- Hard number
- Multiple of contract amount
- Tied to insurance coverage
- Excluded Damages





When Things Blow Up

- When can you file suit?
- Where can you file suit?
- What can you claim?
- What can you be held liable for?



Rule #1

Make it easy for someone to do
what you want them to do.

Sonder



Designer & Content Creator

(websites, logos, social media platforms, etc.)

Ownership. You own your content. Period. Regardless of the nature of our Services, <Our Company> will not retain any right, title, or interest in your content.

Coach or Consultant

Response Time. I will respond to your call within 90 minutes, 7-days a week, 365 days per year.

Reading & Writing – Critical Eye

“We’ll meet at 2:00 tomorrow.”

Reading & Writing – Critical Eye

“Company will begin work immediately.”

Reading & Writing – Critical Eye

“A report shall be written.”

Rule #2

The goal is not to write so you can be understood.

The goal is to write so you can't possibly be misunderstood.

Marketing isn't the only place you can use design.

Table of Contents

Terms and Conditions

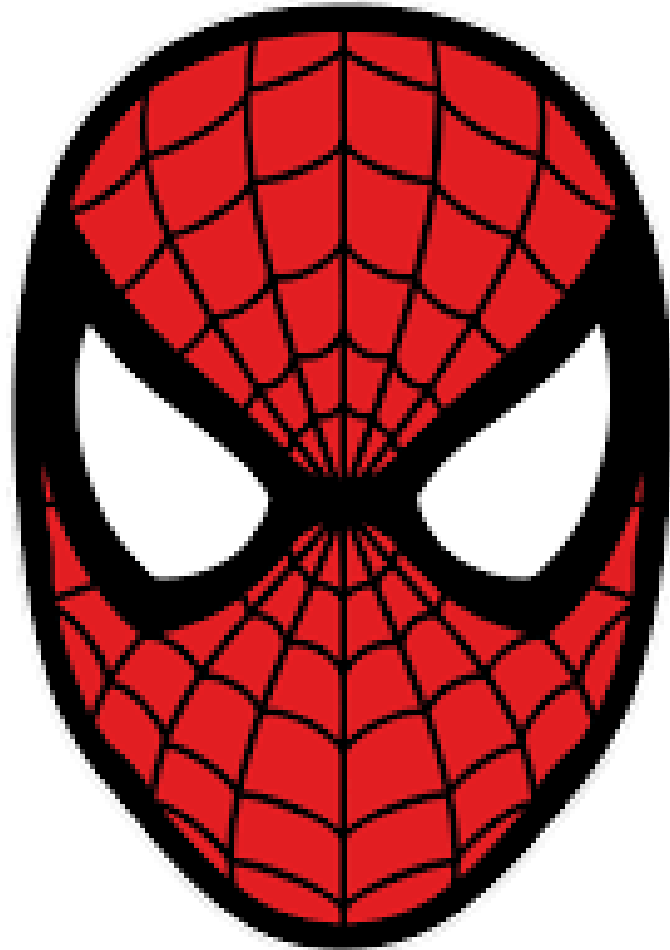
— | INFOGRAPHIC BANNER DESIGN | —



Signing the Other Guy's Contract

Entireties Clause

This Agreement forms the entire agreement between the parties and supersedes prior negotiations, representations, or agreements, either written or oral.



“With great power comes great responsibility.”

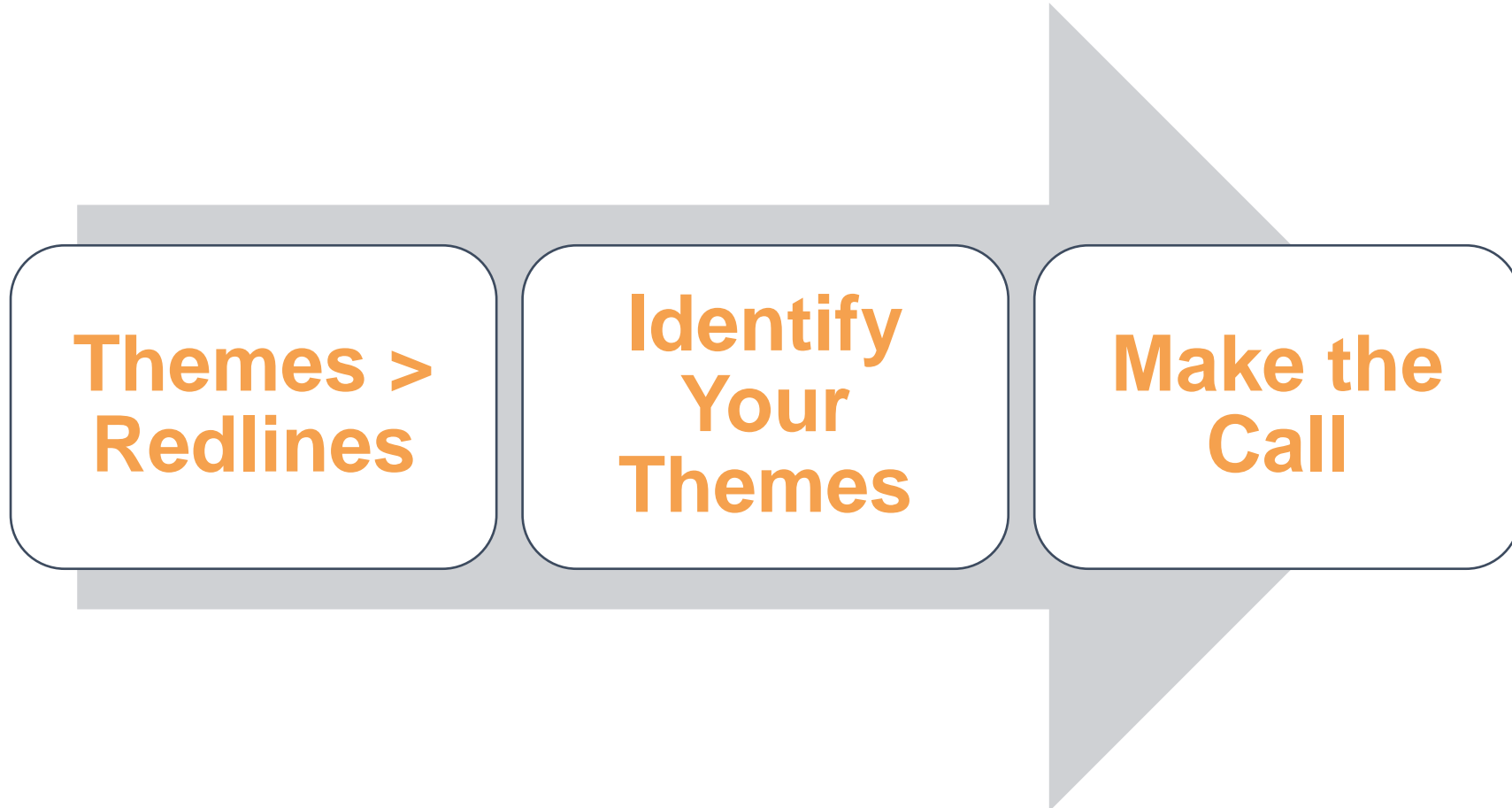




It's all standard boilerplate
(and there's nothing you can do about it.)



Process

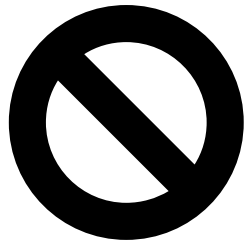


We want to be notified and have a reasonable opportunity to cure before you take adverse action.



1. Backcharge
2. Rejection of Application for Payment
3. Deductive Change Order
4. Indemnification
5. Supplementation of workforce
6. Suspension for Cause
7. Termination for Cause

We don't want to be held responsible for someone else's negligence.



1. Indemnification
2. Clean-Up Costs
3. Assumption of Risk
4. Schedule Modification
5. Settlement & Dispute Resolution

Themes > Redlines

Which would you rather see?



1. Notice and an Opportunity to Cure

2. If we own it, we eat it

3. Consistent payment terms

4. We can rely on you

20 pages of redlines

§ 3.2.6 If the Contractor asserts or defends a claim against the Owner that relates to the Work of the Subcontractor, the Contractor shall promptly make available to the Subcontractor all information relating to the portion of the claim that relates to the Work of the Subcontractor.

§ 3.3 CLAIMS BY THE CONTRACTOR

§ 3.3.1 Liquidated damages for delay, which shall only be assessed following notice and Subcontractor's failure to cure upon its receipt of prior written notice, if provided for in Section 9.3 of this Agreement, shall be assessed against the Subcontractor only to the extent caused by the Subcontractor or any person or entity for whose acts the Subcontractor is liable, and in no case for delays or causes arising outside the scope of this Subcontract.

§ 3.3.2 The Contractor's claims for the costs of services or materials provided due to the Subcontractor's failure to execute the Work shall require

- .1 seven days' written notice prior to the Contractor's providing services or materials, except in an emergency (which shall require 1 days' notice in the absence of imminent danger); and
- .2 written compilations to the Subcontractor of services and materials provided by the Contractor and charges for such services and materials no later than the fifteenth day of the month following the Contractor's providing such services or materials.

§ 3.4 CONTRACTOR'S REMEDIES

§ 3.4.1 If the Subcontractor defaults or neglects to carry out the Work in accordance with this Agreement and fails within three working days after receipt of written notice from the Contractor to proceed diligently toward continues correction of such default or neglect with diligence and promptness, the Contractor may, by appropriate Modification, and without prejudice to any other remedy the Contractor may have, make good such deficiencies and may deduct the reasonable cost thereof from the payments then or thereafter due the Subcontractor.

§ 3.4.2 If the Subcontractor fails to provide manpower levels adequate to allow it to keep up with the progress of the work, as determined in the Contractor's sole discretion, Contractor may, after providing two (2) calendar days written notice to Subcontractor, supplement Subcontractor's forces and back-charge Subcontractor all costs incurred by the Contractor associated with the supplementation including labor, materials, equipment rentals, supervision, overhead, profit, insurance and bond costs. If the Subcontractor's work is on the Project's critical path and the total remaining duration of the Subcontractor's Task is less than ten (10) days as shown on the Project Schedule, the notice period provided above shortens from two (2) calendar days to one (1) calendar day. Should Contractor provide workforce supplementation, Subcontractor grants Contractor the right to utilize any materials that Subcontractor has brought to the Project Site. Contractor's use of materials provided by Subcontractor does not necessarily indicate acceptance of materials by Contractor.

ARTICLE 4 SUBCONTRACTOR

§ 4.1 EXECUTION AND PROGRESS OF THE WORK

§ 4.1.1 For all Work the Subcontractor submits to a designated subcontractor not yet approved by Contractor, the Subcontractor shall enter into written agreements with such Sub-subcontractors (each a "next-tier subcontractor") performing portions of the Work of this Subcontract by which the Subcontractor and the Sub-subcontractor are mutually bound, to the extent of the Work to be performed by the Sub-subcontractor, assuming toward each other all obligations and responsibilities that the Contractor and Subcontractor assume toward each other and having the benefit of all rights, remedies and redress each against the other that the Contractor and Subcontractor have by virtue of the provisions of this Agreement.

"We're just
happy to
be here."

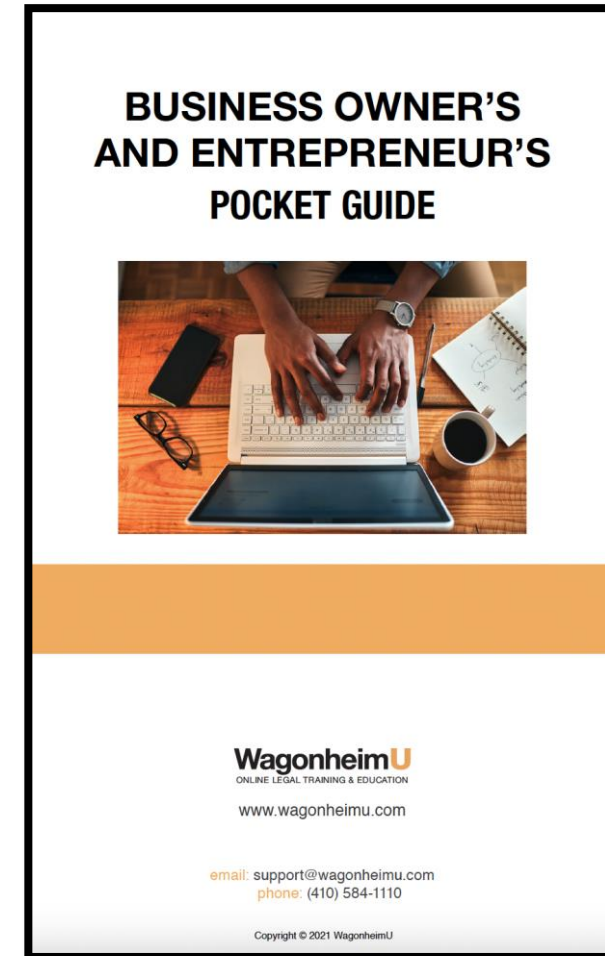


Free Resources

<https://www.wagonheimu.com/contractguide>



<https://www.wagonheimu.com/BOPG>



Next Webinar...

Strategic Communication & Negotiation Skills
to Win More Contracts & Build Relationships

February 22, 10am - 12pm

Register at: <https://gomdsmallbiz.maryland.gov/Pages/Technical-Training-Classroom.aspx>

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THANK YOU!

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